

Welcome Speech

Tall Order: Balancing the Regions Needs • Regional Forum 2002 • Sacramento Convention Center • October 18, 2002

*• Cathy E. Creswell, Deputy Director,
Division of Housing Policy Development •*

Pleased and honored to be a part of this groundbreaking event. I commend all of you for your leadership and commitment to the region. Your presence here, in such great numbers, is evidence of the great potential for this region. I am also pleased to represent the State today and to express our commitment to work in partnership with the region and all its members in building a bright future. And we know that the future can be bright for this region. While we know it is a **tall order**, with the concerted efforts of leaders like you, it can happen.

But this region, like the rest of California, is facing serious challenges. Challenges that rock our core faith in California as the land of opportunity. Challenges that rock our belief that the natural environment and wonders that define California and the region will be here for our children to enjoy. And challenges, that shake our confidence that our economic strength can be sustained. Those challenges include:

- Population Growth: State expected to gain 6 million residents by 2010, region one of the fastest growing places in state. Unlike past, majority of this growth is natural increases.
- Housing shortages. Need 220,000 producing less than half. Most severe for multifamily housing, was 45 percent of all housing built in past decades less than 25 percent now. Region its worse
- In the region, Homeownership rate higher than statewide average, lower than national and only half of households can afford the median priced home.
- Cost burdens have grown, minimum wage worker in region would have to work 86 hours per week to afford fair market rent on two-bedroom apartment.
- In addition, the share of workers who have to commute more than 90 minutes to work in the region has increased dramatically in the last decade.
- Region is classified as a severe ozone non attainment area.

Welcome Speech

Page 2

But while these challenges are great, so are the opportunities and there is no place better poised to tackle these challenges than the Sacramento region.

- First: The high level of civic and business engagement are important tools for success. Enjoys multiple regional leadership groups, many of whom cosponsoring this forum. Active and strong Area Chamber of Commerce's. Also, significant institutional strengths, from SACOG, recognized for innovation and vision, to strong Academic tradition with UC Davis, Sac State, to the nationally recognized, California Center for Public Dispute Resolution.
- Region is also home to some of the oldest and most experienced nonprofit, philanthropic, and advocacy organizations, from Mercy Housing to Ecos.
- Another reason, the region primed to handle the challenge is the growing consensus that business as usual won't cut it and because new coalitions are forming to work cooperatively. Business groups, environmentalist, builders, and advocacy groups have recognized common goals and working together to craft solutions. Level of cooperation among local governments, also unique. Local governments work to develop strategies to maximize the existing housing finance resources available in the region and create new ones. Rather than compete for scarce resources, this region is looking toward cooperation and coordination.
- Region has clearly recognized the critical linkages between housing, jobs, transportation, and the environment.

To ensure the region can grow and prosper in a way that sustains both economic, social, and environmental vitality and quality, the region must:

- Provide housing to address chronic shortfalls.
- Provide a greater mix of housing types and designs.
- Improve residential, employment and transportation access, especially for the underserved populations.
- Foster development of well-designed places, neighborhoods and communities rather than just approve mere subdivisions or projects.
- Provide opportunities for more multifamily housing, especially rental.
- Plan and build in more compact development patterns that conserve land and resources.

Welcome Speech

Page 3

- Pay greater attention to pedestrian friendly environments.
- Foster multimodal development of a more efficient regional transportation networks.

Region must continue and expand engagement of all stakeholders in shaping vision of region—from business and civic leaders, public officials, to residents and workers, the backbone of our community.

As one of the strongest growth markets in the state, this region has both the challenge and opportunity to innovate and lead on all of these forefronts. This region has a much greater opportunity to influence new land use development patterns than most other urban areas of the state. While it is a tall order, it's not too late here. For other regions, the choices are more limited. While you have room to grow, there is a growing recognition of the need to grow in patterns that can be sustained over time—that allow you to harness the benefits growth can bring in way that recognizes the unique character and challenges each community faces.

Finally, the State stands ready as a full partner to work aggressively and cooperatively with you as you begin this new endeavor. Partnership was evidenced new resources brought to bear: state funding increased for traffic congestion relief, improved goods movement and local transportation systems by 8.5 billion, over \$450 million for housing, permitting more than 26 new power plants and an 85 million loan program for Brownfield cleanup. This region benefited by receiving its share of these resources and in particular by the Interregional Planning Grant award made by our department to kick off the Transportation and Land use study, by Cal-Trans planning grant, and the cooperation of the Energy Commission in providing the Places 3 modeling resources. While the State may not be able to maintain that level of funding resources currently, at HCD we are continuing to identify additional resources and assistance to ensure the success of your efforts. We are working to harness the resources and cooperation of our sister State agencies to facilitate your visioning and planning effort.

Welcome Speech

Page 4

On behalf of the State, I offer our continuing commitment of partnership and wish you much success today and throughout the coming months as you work to shape the future of this region. Your commitment and leadership are critical not only to tackling the challenges of this region, but for leading the way for the rest of the state. Your success will be California's success.

#